



Medicare Prescription Drug Coverage

Extra Help with Medicare Prescription Drug Costs for Those Who Need it Most

What's New in Medicare?

- New preventive benefits
- New health plan options
- Prescription drug coverage
 - Starting January 1, 2006
 - With extra help for those who need it most



Who Can Join?

- All people with Medicare are eligible for Medicare prescription drug coverage
- Must be entitled to Part A or enrolled in Part B





Tell Me More...

- Coverage provided through
 - Private prescription drug plans
 - Medicare Health Plans
 - Employers and unions for Medicare-eligible retirees



When Can People Join?



- Most people must join a plan to get coverage
- Can join between November 15, 2005, and May 15, 2006
- Join by December 31, 2005
 - Coverage will begin on January 1, 2006
 - Won't miss a day of coverage
- Joining when first eligible usually means paying a lower premium



Extra Help



- Extra help for many people with limited incomes and resources
- People with the lowest incomes
 - Will pay no premiums or deductibles
 - Have small or no copayments
- Those with slightly higher incomes
 - Will have a reduced deductible
 - Pay a little bit more out of pocket

To Get Extra Help

- Person with Medicare must
 - Reside in the United States
 - Meet the income and resource requirements
 - Be entitled to Part A or enrolled in Part B



Who Qualifies for Extra help?



- People with Medicare automatically qualify if they
 - Also receive full Medicaid benefits, or
 - Get State help with Medicare premiums and copayments, or
 - Get SSI benefits
- Medicare will notify them this summer
 - They should enroll in a plan in the fall

Who Else Qualifies for Extra Help?



- Single people with Medicare
 - Annual income below \$14,355 in 2005*
 - Resources of less than \$11,500
- Married people with Medicare
 - Combined annual income below \$19,245 in 2005*
 - Resources of less than \$23,000
- Will need to apply for the extra help
- Will need to enroll in a drug plan

**Higher in Alaska and Hawaii*

How to Apply for Help



- SSA will mail applications to people who may qualify
 - Summer of 2005
 - Those who think they may qualify should
 - Complete this application form
 - Mail it to the address on the back of the form
 - Use the enclosed postage-paid envelope
 - **Use original forms only**
 - **SSA cannot process forms that are photocopied**
- If people are not sure they qualify, they should still apply

Other Ways to Apply for Extra Help



- Apply on the Social Security website
- Apply at a Social Security sponsored event
- Apply by phone by calling Social Security at 1-800-772-1213
- Apply at a State Medicaid Office
- Apply at a community event
 - Check the newspaper and radio to learn of events that will offer opportunities to apply

How the Help Will Work

- People who qualify will have an average of 96% of their drug costs covered
 - A benefit worth \$2,100
- Continuous coverage
- Those with most limited incomes pay least



Those Who Qualify for Extra Help *Full-benefit Dual Eligibles*



- Pay no premiums
- Pay no deductible
- From zero dollars to \$2 for generic drugs
- From zero dollars to \$5 for brand-name drugs
- No copayment for people in nursing homes
- Medicare pays 97% of drug costs
- Continuous coverage
- No cost sharing above the catastrophic limit

What's Next for *Full-Benefit Dual Eligibles?*



- Will receive a letter from Medicare
 - Automatically qualify for extra help
- Will receive information about available plans
- They can choose a plan that meets their needs
- Medicare will enroll in a plan if they don't choose
 - Effective January 1, 2006
 - Medicare will send a notice telling of assigned plan
- Can change plans at any time
- Medicaid drug coverage ends December 31, 2005

Others Who Qualify Automatically



- People with Medicare receiving SSI
- Those in a Medicare Savings Program
 - QMB
 - SLMB
 - Qualifying Individuals
 - Others who apply and are determined eligible
- Enrolled if they do not choose a plan on their own by May 15, 2006
- Coverage is effective June 1, 2006

Those Who Might Qualify



- Income, resources, and family size are used to determine who qualifies
- Income is counted using rules of SSI program
- Higher incomes might qualify for extra help
- If you think you might qualify—apply!

What's Next?



- **May** receive application form from Social Security
- People who don't receive an application form
 - May still qualify for extra help
- To get the application
 - Visit Social Security at www.socialsecurity.gov
 - Call 1-800-772-1213
- Fill out the application and mail to Social Security
- States may also take applications
- There are two steps
 1. Apply for extra help
 2. Choose and enroll in a plan

Important Dates



- May 1, 2005
 - Social Security begins accepting applications
- May 13, 2005
 - Search for information on the Web
- Mid May 2005
 - Medicare mails notices to those who automatically qualify for extra help
- Late May – Mid August, 2005
 - SSA mails applications to potential eligibles
 - Those who do not automatically qualify

Important Dates

- July 1, 2005
 - Social Security online application available
- July, 2005
 - Fact Sheet available at www.medicare.gov



Important Dates



- October, 2005
 - *Medicare & You* handbook mailed
- Mid October, 2005
 - Medicare mailing to full-benefit dual eligibles
 - Encourage them to enroll in Medicare plans
 - Notify them of the plan they will be automatically enrolled in on January 1, 2006, if they do not enroll on their own
- May 2006
 - Facilitated enrollment of those people who qualify for extra help who have not enrolled

Just to Review...

- Person with limited income and resources:
 - **Applies** for the extra help
 - Is eligible
 - Chooses a prescription drug plan
 - **Enrolls** in the plan
 - Has **uninterrupted prescription drug coverage**



More Information in Fall 2005



- *Medicare & You 2006* mailed
 - Lists prescription drug plans available in each area
- Assistance through local community-based organizations
- Personalized information available
 - www.medicare.gov
 - 1-800-MEDICARE (1-800-633-4227)
- SHIP counselors offer free personalized counseling
 - Call 1-800-MEDICARE to get the telephone number of the SHIP nearest you



Our Goals



- Reach all people with Medicare
- Encourage active, informed enrollment in a Medicare prescription drug plan
- Find those who are eligible for extra help and make sure they apply
- Help all choose prescription drug plans that meet their needs
- Encourage enrollment in a drug plan as soon as possible

Medicare & You

Information and Assistance to Get Medicare Drug Coverage



- Medicare is working with public and private groups to help people with Medicare understand
 - Medicare prescription drug coverage and
 - How to access this coverage
- Social Security Administration and the States are helping those eligible for extra help paying for prescription drug plans and those transitioning from State drug coverage

Social Security Administration Working with Medicare



- Spring
 - SSA will mail applications to people who may qualify for the extra help
 - Medicare will mail information to people who automatically qualify for extra help
- Early Summer
 - SSA will help people fill out applications
 - SSA will distribute Medicare information on drug coverage at outreach events

Thank You for Watching

To learn more about how to partner with CMS at the community level, visit:

<http://www.cms.hhs.gov/partnerships>





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